

Regular City Commission Meeting

Mayor Kelly presiding

CALL TO ORDER: 7:00 PM

Commission Chambers Room 206

PLEDGE OF ALLEGIANCE

ROLL CALL/STAFF INTRODUCTIONS: City Commission members present: Bob Kelly, Tracy Houck, Bob Jones, Bill Bronson and Fred Burow. Also present were City Manager Greg Doyon and Deputy City Manager Jennifer Reichelt; City Clerk Lisa Kunz and Deputy City Clerk Darcy Dea; Public Works Director Jim Rearden; Planning and Community Development Senior Transportation Planner Andrew Finch; Park and Recreation Director Joe Petrella; Fiscal Services Director Melissa Kinzler; City Attorney Sara Sexe; and, Police Chief Dave Bowen.

AGENDA APPROVAL: City Manager Greg Doyon noted that Agenda Report 11 was updated after original posting. No changes were proposed by the City Manager or City Commission. The agenda was approved as submitted.

PROCLAMATIONS: Mayor Kelly read a proclamation for Montana Retired Educator Day and Commissioner Bronson read a proclamation for National Autism Awareness Month.

**** Action Minutes of the Great Falls City Commission. Please refer to the audio/video recording of the meeting for additional detail****

PETITIONS AND COMMUNICATIONS

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

- A. Donna Williams**, 2916 2nd Avenue North, discussed an employee of the Great Falls Public Library who was let go last year due to budget cuts, and who is currently volunteering. She volunteers as well with many others. Ms. Williams suggested that the Commission restore the Library's personnel budget.
- B. Brett Doney**, Great Falls Development Authority (GFDA), 300 Central Avenue, announced that GFDA closed on a loan to the Ferrin Group for the Talus Apartments. As part of the TIF process, GFDA will be contributing \$633,000 of its loan money towards the AgriTech Park. GFDA will be applying to the Community Development Financial Institution Fund and will match \$455,938 to secure loan capital.

NEIGHBORHOOD COUNCILS

2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from Neighborhood Councils.

BOARDS & COMMISSIONS**3. COMMUNITY DEVELOPMENT COUNCIL (CDC), COUNCIL MEMBER INTRODUCTIONS AND COUNCIL REPORT.**

CDC Council members Jolene Schalper, Neil Fortier, Jennifer Fines and Harmony Wolfe introduced themselves. Chairperson Schalper reported that it was a pleasure to go through all of the applications and see all of the projects and organizations that are serving our community. The needs far surpass the funding. She suggested the CDC hold additional meetings to discuss what other communities are doing to have the greatest impact in the community, make suggestions on how the CDC can meet strategic initiatives, discuss same with staff, and then present at a future work session.

Mayor Kelly announced the names of the other council members: Dave Fink, Tyler Hentzen, Steve Pretat, William Raaen, Elizabeth Schmidt and Dave Sutinen.

The Commission presented the board members with certificates recognizing them for the work that they do and thanking them for their service.

4. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM BOARDS AND COMMISSIONS.

There were no miscellaneous reports and announcements from representatives of Boards and Commissions.

CITY MANAGER**5. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

City Manager Greg Doyon presented Police Chief Dave Bowen with a Certificate of Commendation recognizing him for his 25 years of service to the community.

Chief Bowen reported that it was 25 years ago that he received his badge from Chief (Commissioner) Jones. It has been a pleasure working with him in one capacity or another.

Manager Doyon announced that Coffee with a Cop is scheduled for March 23rd from 11 a.m. to 1 p.m. at Schulte's Coffee House.

He is starting the FY 16/17 budget review with the departments and aligning Commission goals with department needs.

He further reported that he will be providing a written trip report to the Commission on the conferences he recently attended – the Association of Defense Communities, Association for Risk Management Pools, and the MMIA and MSU Local Government Center Mayors and Executives Academy.

Deputy City Manager Jennifer Reichelt announced that the City is proud to host The Russell in the Mansfield Convention Center during Western Art Week.

She reported that the location of the Charlie Russell mural had to be changed to the east side of the North Parking Garage due to high voltage power lines. Weather permitting, painting will begin this weekend.

CONSENT AGENDA.

6. Minutes, March 1, 2016, Commission meeting.
7. Total expenditures of \$1,973,616 for the period of February 17, 2016, through March 2, 2016, to include claims over \$5,000, in the amount of \$1,687,560.
8. Contracts list.
9. Set public hearing on Resolution 10133, Establishing Municipal Court fees relating to information requests for April 5, 2016.
10. Set public hearing for May 3, 2016, on Resolution 10129 Establishing Residential and Commercial Water, Sewer and Storm Drain Utility Service rates effective June 1, 2016.
11. Set public hearing to consider the sale of City-owned property at 2101, 2109 and 2201 21st Avenue South within Med-Tech Park to Great Falls College MSU for April 5, 2016.
12. Award bid for one new 2016 Elgin Whirlwind Pete 220 combination broom & vacuum street sweeper to Titan Machinery of Great Falls for \$274,268.37, including trade-in.
13. Award Construction Contract in the amount of \$525,436 to Planned and Engineered Construction, Inc. for the Sanitary Sewer Trenchless Rehabilitation Phase 19 and authorize the City Manager to execute the construction contract documents. **OF 1674.2**
14. Award Construction Contract for the North Great Falls Lift Station and Force Main project in the amount of \$728,695 to Falls Construction and authorize the City Manager to execute the contract documents. **OF 1476.5**
15. Approve final payment for the West Bank Park Restrooms in the amount of \$5,003.06 to Wadsworth Builders, Inc. and \$50.54 to the State Miscellaneous Tax Fund and authorize the City Manager to make the payments. **OF 1585.2**
16. Approve final payment for the Southeast Great Falls Wastewater Improvements in the amount of \$14,373.78 to Phillips Construction, LLC and \$145.19 to the State Miscellaneous Tax Fund and authorize the City Manager to execute the necessary documents and make the payments. **OF 1451.2**

Commissioner Houck moved, seconded by Commissioner Bronson, that the City Commission approve the Consent Agenda as presented.

Mayor Kelly requested clarification on contracts list items 8 A-E and N.

Chief Bowen responded that those items are Use Agreements entered into with the agencies that are using the gun range, and that those agencies are paying \$750 annually to the City for that use.

At Mayor Kelly's request, Manager Doyon discussed the updates to Agenda Item 11. He reported that there are eight rather than six lots, he added a chart that shows the previous sales back to 2006 and the square footage sales price, as well as fixed a typo. He concluded that this is a good opportunity to sell the property to a good institution, and that Great Falls College MSU and the community will benefit from the sale.

Mayor Kelly asked if there were any comments from the public.

Ron Gessaman, 1006 36th Avenue NE, questioned the word "fees" rather than Calumet "regulations" or "stay" regarding the payment to Crowley Fleck as set forth in the minutes, Agenda Item 6. With regard to Item 10, he would like to see more clarity for the justification to increase sanitation rates in the agenda report for the public hearing. He agreed with the City Manager's comments regarding Item 11. He commented that no taxes were collected on the property for about 10 years and that is another reason to stay out of the development business.

City Attorney Sara Sexe clarified that the payment to Crowley Fleck discussed in the last meeting minutes included the Calumet appeal.

With regard to sanitation rates, Mayor Kelly noted that Director Rearden provided an hour long presentation at the work session this evening regarding sewer, water and storm drain utility needs going forward. The work session is recorded and will be on television.

With regard to Item 8, Commissioner Burow inquired if the City owned the gun range.

Chief Bowen responded that Fish, Wildlife and Parks (FWP) purchased the property. The City has a use agreement with FWP to manage and have control of the gun range. The City does not have a lease payment to FWP, but the use agreements set forth in Item 8 are payments to the City for utilities, the cost of operating the range, and some minor capital improvements.

Commissioner Burow requested that Item 8I be pulled for separate discussion and vote.

Regarding Item 8I, Deputy Manager Reichelt explained that the Animal Shelter was recently robbed while staff was there. The current cameras are outdated and when Alert Security was notified staff learned that the system could do a lot more, including record sound and video of the parking lot and throughout the facility. This agreement is to upgrade the existing system. She also noted that the City already pays for the service on a monthly basis.

Commissioner Burow commented the agreement amount seemed out of line to him.

Commissioner Houck disagreed with Commissioner Burow's comments pointing out that staff was left vulnerable at a time that it could have been mitigated. She thinks the City is getting a great deal, having recently upgraded security equipment at her place of employment.

Commissioner Bronson noted that, per Commissioner Burow's suggestion, Item 8I can be separated out and voted on separately.

With regard to contracts list item 8I, Mayor Kelly called for the vote.

Motion carried 4-1 (Commissioner Burow dissenting).

Mayor Kelly called for the vote on the remaining Consent Agenda items.

Motion carried 5-0.

PUBLIC HEARINGS

17. **RESOLUTION 10132, ESTABLISHING FEES FOR THE MULTI SPORTS SOFTBALL PROGRAM.**

Park and Recreation Director Joe Petrella reported the softball complex was initially developed in 1966 by volunteers without financial support from the City. Due to the overall success of the facility and continued interest by the general public, the complex was expanded to an eight field facility with support from the City. Over the years the complex has seen successes and failures, but it has always played a major role in providing softball fields for the softball community. In 2010 the complex was leased out for three (3) years to a private group in the hopes of generating additional revenue for the complex. Unfortunately, they opted out of the lease in October of 2011 and the complex was returned to the City for the 2012 softball season with the understanding that the Park and Recreation Department would operate the facility without receiving any general fund subsidies.

Since 2012 user fees and concession sales have been the only source of revenue to support operations. During this time, the department has been able to establish a healthy fund balance of approximately \$65,000, but has not been able to address significant deficiencies and capital improvements to make the facility safer for players and people that utilize the facility for softball tournaments and activities.

Currently the facility is home to the C.M. Russell High School Girls Softball Program, Great Falls High School Girls Softball Program, University of Great Falls Softball Program and the Park and Recreation Department's Adult Softball Program. The complex also hosts a variety of tournaments organized by various private user groups, sometimes up to 80 teams, that bring thousands of visitors to Great Falls from all over Montana and neighboring states. The goal is to try to build up the facility so that it is a presentable, nice facility and have a good experience that is safe. Recently, many of these groups have met in an effort to brain storm and find ways to work together in the hopes of raising funds to help improve the facility and get it back to being the premier softball destination in the State of Montana. Director Petrella reviewed the proposed fee structure. The increase in fees will primarily affect the private user groups.

Mayor Kelly declared the public hearing open.

No one spoke in support of Resolution 10132.

Speaking in opposition to Resolution 10132 was:

Ron Gessaman, 1006 36th Avenue NE, questioned the numbers presented. He commented that the proposed fee increase doesn't look like it is going to solve the problem of getting this facility upgraded.

There being no one further to address the Commission, Mayor Kelly closed the public hearing and asked the will of the Commission.

Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10132, Establishing Fees for Multi Sports Softball Program.

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Houck commented being a mom of that program, she appreciated seeing the softball complex getting some attention. She pointed out that there is work in place to raise capital funds by private entities.

Mayor Kelly noted that the Commission will be touring the Park and Recreation facilities on March 22nd.

Commissioner Bronson commended Director Petrella and staff for coming up with this workable proposal. It's also an opportunity for the community to step up to the plate through sponsorships or other means. He concluded that the Park and Recreation Advisory Board has unanimously endorsed this proposal.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

OLD BUSINESS

18. WATER RIGHTS SETTLEMENT WITH MONTANA DEPARTMENT OF FISH WILDLIFE AND PARKS OF 1510.

City Attorney Sara Sexe reported that in 2011 the Montana Water Court initiated a proceeding to adjudicate water rights associated with the former Anaconda Smelter in Black Eagle. At that time, Arco Environmental Remediation LLC (AERL) indicated it no longer wanted to keep the water rights. Her predecessor, Dave Nielsen, negotiated and received the quitclaim deeds from AERL, indicating that whatever interest they had in the water rights they gave to the City of Great Falls.

After the claims were filed with the Water Court, there were objections made by Fish, Wildlife and Parks (FWP) to those claims indicating, in short, they were abandoned through non-use for a period of time.

On behalf of the City, Attorney Stephen R. Brown argued that the rights were specifically maintained and not used because ARCO had to go through an EPA remediation process because of the clean up issues. The Water Court ruled that Great Falls could pursue ownership of the right, but also indicated that fact issues remained that Great Falls would have to prove that the

rights were not abandoned. Subsequently, the City negotiated with FWP to come up with an agreement as to the water rights. The agreement secures significant water rights.

Attorney Stephen R. Brown of Garlington, Lohn and Robinson, PLLP, articulated the benefits to the City of Great Falls in terms of going through with the Settlement Stipulation. He summarized that the benefit of approving the Settlement Stipulation is it allows the City to take ownership of water rights that are quite valuable with a fairly minimal compromise involved. The reduced flow rate of 6.0 cfs will retain its 1906 priority date; the City is not being required to pay ARCO for this water right; and, there is no change application process required through the DNRC. After the Settlement Stipulation has been signed, the objections will be withdrawn. Therefore, it will become a good water right, blessed by the Water Court, and available for the City to put to use.

Commissioner Bronson moved, seconded by Commissioners Burow and Jones, that the City Commission approve the Water Rights Settlement regarding Water Right Claim No. 41Q 124863-00 with Montana Department of Fish, Wildlife and Parks and authorize counsel to execute the Settlement Stipulation for presentation to the Montana Water Court.

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Bronson thanked counsel for services to the City.

Mayor Kelly asked if there were any comments from the public.

Brett Doney, Great Falls Development Authority, 300 Central Avenue, commented that water is very important, particularly for economic development purposes of trying to diversify and grow the economy. The City has done a great job protecting water rights and securing new ones.

Kathy Gessaman, 1006 36th Avenue NE, thanked Dave Nielsen for his help and Stephen Brown for carrying it through and winning these water rights.

Ron Gessaman, 1006 36th Avenue NE, echoed his wife's comments about water rights. He suggested there was an error regarding conversion on page 2 of Attorney Brown's memo, and provided a measurement converter page that he downloaded from the internet.

Mayor Kelly noted the value of the water and inquired if it could be leased out.

Attorney Brown responded the short answer is probably. Right now it is classified as an industrial water right. It is possible to ask for it to be changed to a municipal water right which provides for more flexibility.

Commissioner Burow commented, if approved, the City could use the water right for any purpose without objection.

Attorney Brown clarified that as part of the settlement, FWP will not object to any changes to the water right, either to where it gets used or what it gets used for.

After further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

NEW BUSINESS

19. CDBG AND HOME PROGRAM PROPOSED USE OF FUNDS FOR 2016/2017 ANNUAL ACTION PLAN.

Planning and Community Development Senior Transportation Planner Andrew Finch reported this item is a request to accept the Community Development Council's (CDC) recommendations for allocating approximately \$730,358 in federal Community Development Block Grant (CDBG) funds and to set a public hearing for April 19, 2016 to receive public testimony on the City's proposed use of CDBG funds and the annual action plan.

The annual action plan is simply the plan for the coming year's funding cycle and the process by which the City provided opportunity to the public to participate in the process and provide input to the City Commission and staff.

The City has been notified that it is scheduled to receive approximately \$710,552 which is a decrease of approximately \$5,288 from last year and \$69,458 from two years ago. Staff is proposing to include adding \$19,806 in un-programmed funds from previous years to bring the total proposed spending to \$730,358.

Planner Finch noted that the City was anticipating a potential decrease in HOME funds of over 90% this year. Ultimately, congress acted to prevent such a drastic decrease in funding. The City of Great Falls will be allocated approximately \$184,587 for the HOME program. Due to the uncertainty during the application period and an apparent lack of shovel ready projects, staff is proposing to reserve this year's HOME allocation for next year. By doing this, there is potential to fund a larger project or fund a larger number of projects next year.

On February 2, 2016, the City Commission set funding percentage guidelines and adopted policies pertaining to the application and funding process and priorities as follows:

Administration 20%
Public Services 12.5%
Economic Development 7.5%
Affordable Housing 30%
Public Facility Improvements 30%

Commissioner Jones moved, seconded by Commissioner Burow, that the City Commission accept the proposed use of funds for the 2016/2017 Community Development Block Grant Program (CDBG) for inclusion in the 2016/2017 Annual Action Plan and set a public hearing for April 19, 2016.

Mayor Kelly asked if there was any discussion amongst the Commissioners. Hearing none, Mayor Kelly asked if there were any comments from the public.

Jolene Schalper, 300 Central Avenue, suggested the motion read to just set the public hearing rather than to also accept the proposed allocations. Perhaps some of the allocations may change after additional information is provided at the public hearing.

Commissioner Jones clarified that the only action tonight is accepting the proposed use of funds and setting the public hearing. The recommendations can change after conducting the public hearing on April 19th.

Commissioner Bronson further clarified that the Commission is accepting a report of the CDC, and now the responsibility of making a final decision passes to the City Commission. At the public hearing any organization or member of the public can comment and these allocations can be changed.

Deputy City Manager Jennifer Reichelt commented that a press release also goes out before the public hearing encouraging the public to attend and make comments on the action plan and the proposals.

Kathy Gessaman, 1006 36th Avenue NE, asked if the Commission could decide at the public hearing to allocate funds to an entity that the CDC is currently recommending zero.

Mayor Kelly responded things can change going forward. At the same time the Commission gives high regard to the CDC work that has been done thus far.

Brett Doney, Great Falls Development Authority, 300 Central Avenue, encouraged the Commission to change the process in the upcoming year and hold the public hearing before the allocation percentages are set. He further encouraged the Commission to utilize the CDC for more than just reviewing the grant applications, such as input on the HOME program, provide guidance on thinking strategically about how to address issues.

Mayor Kelly encouraged staff to explore change.

There being no one further to address the Commission, Mayor Kelly called for the vote.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

20. **RESOLUTION 10131, PARTICIPATION IN THE BOARD OF INVESTMENTS INTERCAP REVOLVING LOAN PROGRAM FOR THE PURCHASE OF SIX SANITATION TRUCKS.**

Fiscal Services Director Melissa Kinzler reported that on January 19, 2016, and February 2, 2016, the City Commission approved the purchase of six sanitation trucks. Resolution 10131 authorizes the borrowing of the funds for these purchases. The Montana Board of Investments has agreed to loan the City of Great Falls \$1,400,000 for the purchase of six sanitation trucks and \$140,000 for the required 10% debt reserve for a total of \$1,540,000 by issuing a bond. The loan has a variable interest rate that changes annually in February. The interest rate set in February 2016 to February 2017 is 1.55%. The term of the loan will be for 6 years and will be repayable

from the Sanitation Fund at approximately \$257,000 a year. Any amounts that are authorized in the borrowing that are in excess of the amount needed for the purchase of the trucks will be released back to the Montana Board of Investments for their use on other projects. Early redemption of the loan is possible. The average annual interest rate of this program for the last 5 years is 1.21%. The closing date of this borrowing is scheduled for April 1, 2016.

Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission adopt Resolution 10131 authorizing the participation in the Board of Investments Intercap Revolving Program for the purchase of six (6) sanitation trucks.

Mayor Kelly asked if there was any discussion amongst the Commissioners or comments from the public. Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

CITY COMMISSION

21. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Commissioner Jones appreciated Chief Bowen recognizing him as the chief that gave him his badge. He commented when he began with the Police Department he worked for Chief Bowen's father, Bill Bowen, a man of great personal and organizational integrity. His son is just like him and he is very proud he is chief.

Commissioner Bronson announced that he attended former mayor, Ardi Aiken's, funeral service in Big Fork this past Saturday. She had a great send off.

Commissioner Houck reported that the Parking Advisory Council has put together a five question survey and is asking the public to take the on-line survey to help the Council prioritize needs, desires and concerns. A public comment presentation will be held in the Civic Center in April. More details about that presentation are forthcoming.

Commissioner Burow suggested that the community have conversations with the legislature to make changes to theft offense laws.

Mayor Kelly also reminded everyone that the City and County Commissions are taking part in the public tour of the Tintina Mine by White Sulphur Springs on April 1st.

22. COMMISSION INITIATIVES.

There were no Commission initiatives.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Bronson moved, seconded by Commissioner Houck, to adjourn the regular meeting of March 15, 2016, at 8:44 p.m.**

Motion carried 5-0.

Mayor Bob Kelly

City Clerk Lisa Kunz

Minutes Approved: April 5, 2016

DRAFT